



State of Louisiana
Division of Administration
Office of State Uniform Payroll

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May 06, 2008

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2008-36

TO: ISIS HR Paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: Supplement to OSUP Memorandum #2008-32
Tax Withholding Procedures for Non-Resident Alien Employees – Tax Treaties

The information in this memo is a supplement to the information provided in OSUP Memorandum #2008-32.

A Non-Resident Alien from a country with which the United States has an income tax treaty may qualify for certain benefits. Most treaties require that the Non-Resident Alien be a resident of the treaty country to qualify. However, some treaties require that the Non-Resident Alien be a national (an individual who, although not a citizen, owes his or her allegiance to a foreign country) or a citizen of the treaty country. The Internal Revenue Service, under [section 1441](#) of the Internal Revenue Code, permits an exemption from withholding to Non-Resident Aliens who fall within these categories.

If an employee is claiming this exemption, Form 8233 (Exemption from Withholding on Compensation for Independent Personal Services of a Non-resident Alien Individual) must be completed by **both** the employee and the agency and **must be** submitted to the Internal Revenue Service within five (5) days of completion. Agencies **must** contact a member of the Wage and Tax Administration Unit when notified an employee qualifies for a tax treaty withholding exemption.

Agencies should refer to IRS Publications: [54 "Tax Guide for U.S. Citizens and Resident Aliens Abroad"](#), [519 Chapter 9 "U.S. Tax Guide for Aliens"](#), and [901 "U.S. Tax Treaties"](#) for additional information concerning Non-Resident Aliens and tax treaty benefits. Any questions regarding tax withholding procedures for Non-Resident Aliens should be directed to a member of the OSUP Compliance and Research Unit at _DOA-OSUP-COMP@la.gov. Any tax treaty questions should be directed to a member of the OSUP Wage and Tax Administration Unit at _DOA-OSUP-WTA@la.gov or (225):

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